



DOOLGUNNA PROSPECT: DRILLHOLE INTERSECTS GOLD

- **Drilling intersects: 3m @ 2.03 g/t Au from 1m & 11m @ 0.58 g/t Au from 92m to end of hole.**
- **Entire hole in oxide, with low level gold from 4m to 92m.**
- **Increasing gold content towards base of hole suggests potential for primary mineralisation in fresh rock below.**
- **Further visible gold identified in rockchip sample 400m NE of pit.**

SUMMARY

Enterprise Metals Limited (“Enterprise” or “the Company”, ASX: “ENT”) wishes to announce further results from exploration in the vicinity of a shallow pit (Pit 1) where visible gold mineralisation was recently discovered at its Doolgunna Prospect, 130km northeast of Meekatharra. (refer Figure 1 and ENT:ASX Announcement 7 June 2012)

Aircore Drilling Near Shallow Pit with Visible Gold

Two vertical aircore holes were drilled 40m apart either side of the shallow pit in an E-W direction. The eastern hole (DNAC069) intersected a profile comprising ironstone, a broad interval of ferruginous mottled clay/saprolite, and ended in saprolitic clay with quartz veining. The western hole (DNAC070) intersected less ferruginous material, however ended in a goethitic/ferruginous unit. (refer Appendix for drillhole collar details)

Gold assays from **DNAC069** returned an interval of 3m @ 2.03 g/t Au from 1m in ironstone breccia(?). The ironstone contains cemented angular ferruginous/gossanous fragments, and is interpreted to be insitu or having only been transported a short distance. Beneath this intersection is an interval of 48m @ 0.25 g/t Au in ferruginous clay followed by a relatively depleted zone of 40m @ 0.05 g/t Au associated with hematitic/limonitic saprolite.

A second interval containing 11m @ 0.58 g/t Au in saprolitic clays with quartz veining was returned from 92m to the end of hole at 103m. A possible primary source for the gold remains untested, **as fresh rock was not reached in this drillhole**. Table 1 below summarises the assay results from DNAC069. **Base metal results are awaited.**

Table 1. Gold Intersections from Aircore Drillhole DNAC069

Hole	From (m)	To (m)	Int (m)	Au (g/t)	Description
DNAC069	1	4	3	2.03	Cemented ironstone
DNAC069	4	52	48	0.25	Ferruginous clay zone
DNAC069	52	92	40	0.05	Hematitic/limonitic saprolite and clay
DNAC069	92	103 EOH	11	0.58	Saprolitic clay with quartz veining
Incl	92	93	1	0.97	Saprolitic clay with quartz veining
Incl	99	101	2	1.42	Saprolitic clay with quartz veining

Au analysed by 50g fire assay with lead collection, Method FAA505 by SGS Australia Pty Ltd.



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Results from scanning electron microscope studies on gold within the ironstone (gossan/breccia?) retrieved from Pit 1 (refer Plates 1 & 2 below) are expected shortly and will provide valuable information on the character, setting and origin of the gold mineralisation.

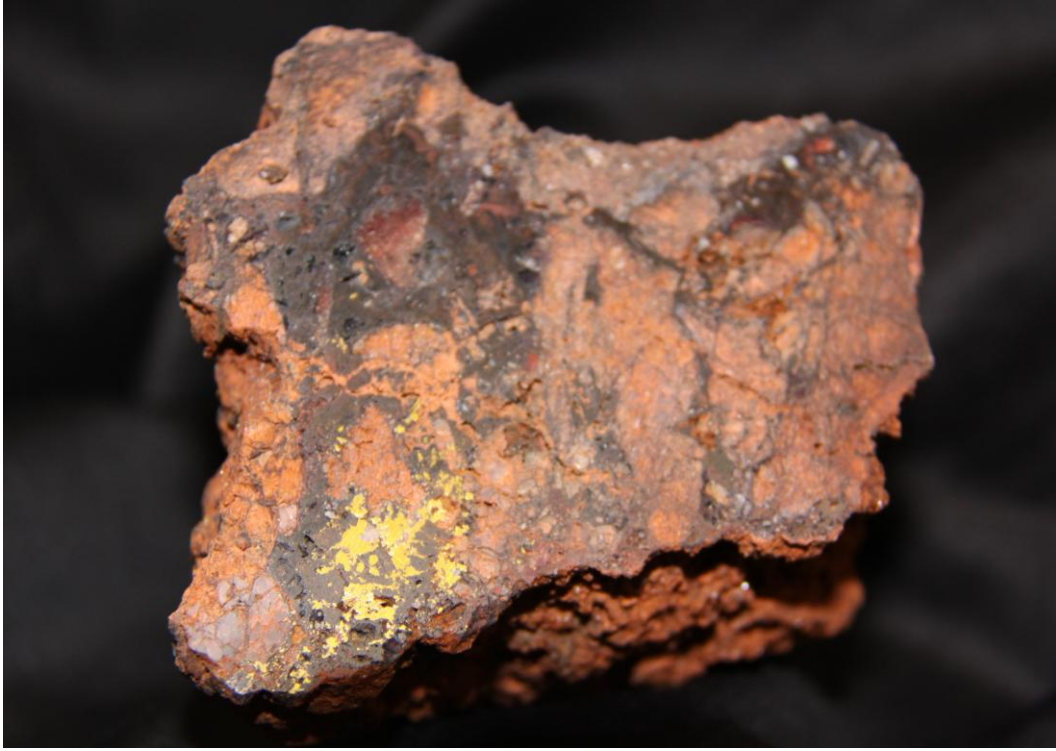


Plate 1. Visible gold within ironstone (gossan/breccia?) from Pit 1.

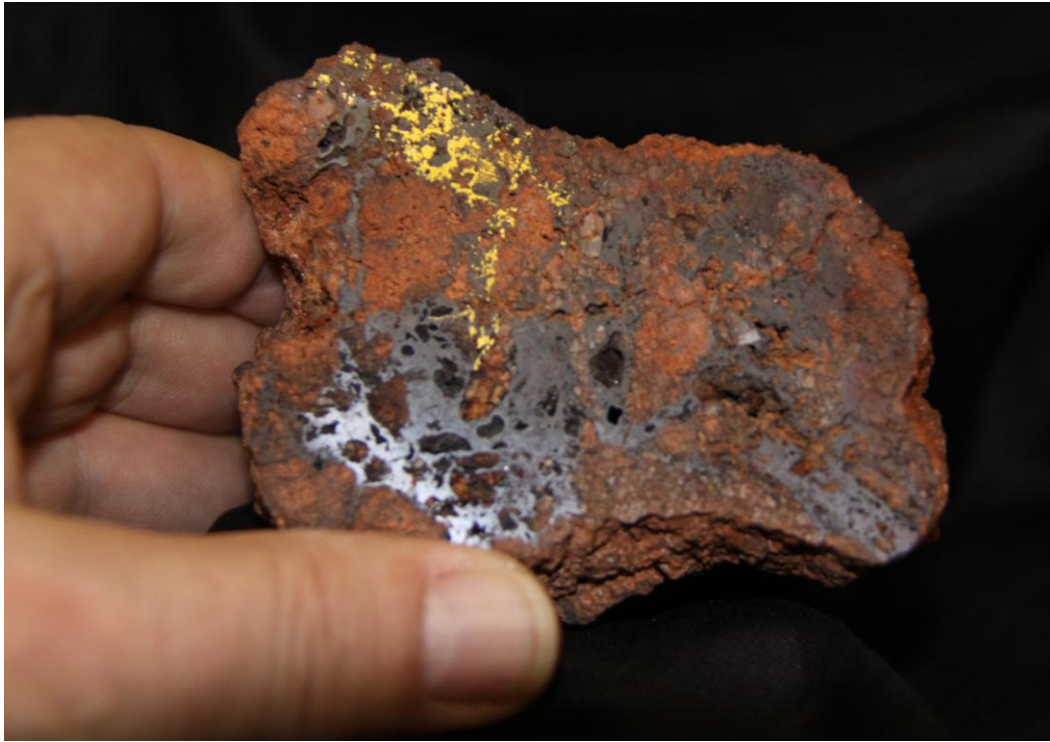


Plate 2. Cut sample, ironstone (gossan/breccia?) displaying visible gold



A costean adjacent to Pit 1 will be excavated within the next two weeks to provide increased knowledge of the regolith profile, which is critical in planning future exploration activities.

Geological Mapping & Rockchip Sampling

Reconnaissance geological mapping and rockchip sampling (72 samples) over a 2km² area located some 400m north of the shallow pit was undertaken. The regolith in this area is similar to that near the pit, comprising ironstone scree and scattered quartz veining.

One rock sample (DNR072) contained flecks of visible gold associated with quartz fragments indicating a primary source (Table 2). The remaining 71 samples returned elevated gold values between 10-60 ppb Au. Base metal results are awaited.

Table 2. Anomalous Rockchip Sample Result

Sample No.	MGA94_E	MGA94_N	Au ppm	Comments
DNR072	727772	7162054	0.81	gold in gossanous qtz/goethite boulder

Further geochemical sampling, comprising 208 bulk soil samples and an additional 22 rockchip samples has been completed in the vicinity of Pit 1. All results from this sampling are pending.

Regional Aircore Drilling Program

A 120 hole, 8,000m aircore drilling program is in progress, with 68 holes for 4,297m completed to date. The drilling is targeting a supergene copper-gold enrichment “blanket”, which may be developed below a “leached cap”, and above deeper primary sulphide mineralisation copper-gold mineralisation within the Narracoota Formation volcanics.

No assay results have been received from this program to date. Any encouraging assay results will be followed up with deeper RC drilling.

Dermot Ryan
Managing Director

Contact:

Telephone: 08 9436 9200

Facsimile: 08 9436 9299

Email: admin@enterprisemetals.com.au

The information in this announcement that relates to Exploration Results has been compiled by Mr Dermot Ryan, who is a Fellow of the Australian Institute of Geoscientists, and a full time employee of geological consultancy Xserv Pty Ltd. Mr Ryan has sufficient relevant experience in the techniques being reported and styles of mineralisation and types of deposit under consideration, and in the activity he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” (the JORC Code), and consents to the inclusion of the information in the form and context in which it appears.



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Appendix Aircore Drillhole Collar Details

Hole Number	MGA94_E	MGA94_N	Dip	Azimuth	Total Depth (m)
DNAC069	727502	7161780	-90	0	103
DNAC070	727457	7161789	-90	0	64

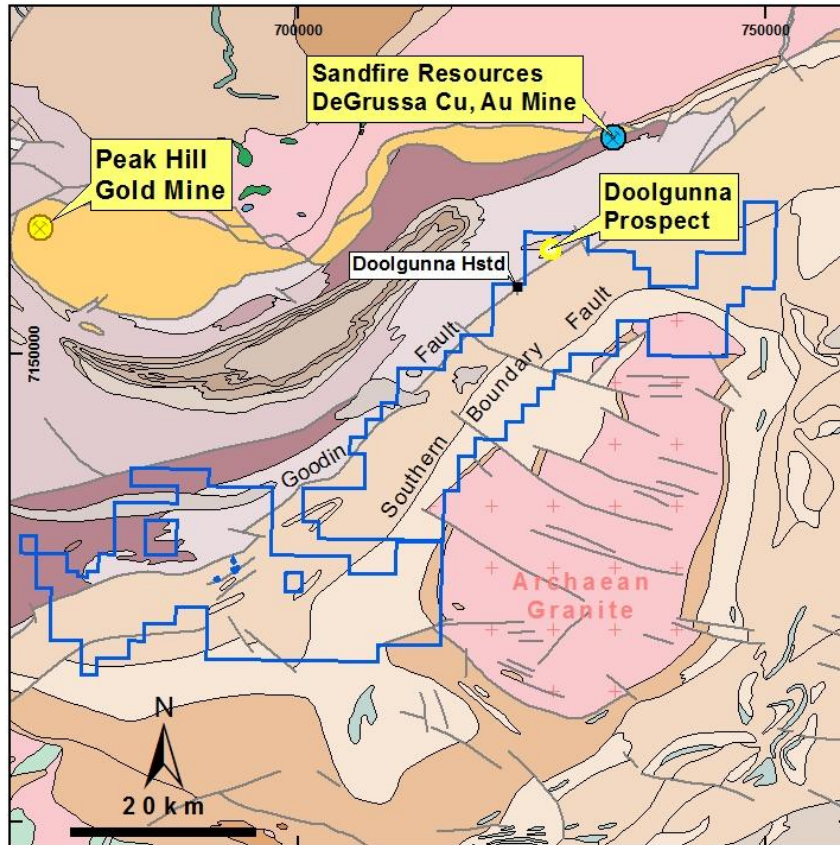


Figure 1. Doolgunna Prospect Location